

Service Area Plan

Department of Social Services

Eligibility Determination for Benefit Programs (46003)

Service Area Background Information

Service Area Description

This service area funds the eligibility determination of Virginia's safety net programs, a service conducted by local departments of social services. The safety net programs include: the Commonwealth's largest nutrition assistance program, the Food Stamp Program; financial assistance programs including Auxiliary Grants, the Energy Assistance Program, the General Relief Program, and the Temporary Assistance for Needy Families Program (TANF); and the medical assistance programs (FAMIS, Medicaid, State and Local Hospitalization, and the low-income subsidy for the Medicare prescription drug plans). There are 120 local departments of social services at 150 physical locations throughout the Commonwealth. During a given year, local departments of social services process more than 660,000 new applications each year, re-certify another 420,000 cases, and perform ongoing case management activities for more than 800,000 cases during a given year. All told, approximately 1.6 million Virginians receive safety net benefits and services as a result of the eligibility and case management efforts of local departments of social services.

Safety net programs are counter-cyclical, and the recent rise in poverty (28% increase from 2000 to 2003) combined with effective outreach efforts for FAMIS and Food Stamps have led to a significant increase in the total number of applications and total number of enrollees. Funding for eligibility services does not track the demand for service, however. Despite dramatic caseload increases and new program responsibilities, funds for this service area which go directly to local departments of social services have not increased since 1989. According to the caseload standards set forth in an independent study by Horby Zellar and Associates, local departments of social services would need an additional 618 workers simply to meet minimal processing standards. This staffing shortage has implications for timeliness and accuracy of application processing.

Service Area Alignment to Mission

This service area supports the mission of the Department through the administration of programs that help individuals meet their basic human needs. These financial, nutrition, and medical services help individuals move out of poverty and build strong families and communities. Often, this service area is the first point of contact for the individual/family in the social services system, and the financial assistance provided by the services area stabilizes the family, enabling them to pursue additional services targeted at improving their financial status and overcoming poverty.

Service Area Statutory Authority

Statutory authority for all this service area is found in the Code of Virginia (1950), as amended §63.2-200-63.2-336. This section of the Code gives local departments of social services the responsibility to determine eligibility and perform the necessary case management services for these safety net programs.

Service Area Customer Base

Customer(s)	Served	Potential
Low income individuals and families	1,630,000	0

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Anticipated Changes In Service Area Customer Bas

The customer base is likely to increase in number and diversity. As the immigrant population in Virginia continues to grow and program rules increasingly make benefits available to those immigrants legally present in the United States, the scope and breadth of diversity will continue to increase. These changes place increasing demands on local departments of social services obligated under federal law to provide translation and interpreter services to non-English speaking applicants and participants. Rising poverty and the transformation of Virginia's economy from a manufacturing base to a knowledge and service economy create greater demand for these safety net services and benefits. Many of these programs offer relief to the families of laid off workers while they become retrained and find employment.

Policy decisions at the state and national levels also impact the customer base. It is likely that TANF and Food Stamps will be reauthorized just before or during this biennium, and reauthorization of major social programs often brings significant changes to the customer base, as the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 did. The implementation of the Medicare prescription drug coverage, Medicare Part D, is an example of a policy change creating a new customer base for local departments of social services with no concomitant funding. Starting July 1, 2005, local departments of social services are required by law to determine eligibility for a Part D subsidy which pays the premiums for the Medicare prescription drug coverage. In addition to the workload created directly by the program, this new, important initiative will drive a new set of customers to local departments of social services who will likely seek and be qualified for the myriad of services available. Finally and perhaps most significantly, both the Bush Administration and the National Governor's Association are working toward a package of reforms for the Medicaid Program, and these changes will impact the service delivery and eligible population.

Service Area Partners

Local Departments of Social Services

State agencies

(State partners are the Departments of Medical Assistance Services, Vocational and Rehabilitative Services, Motor Vehicles, and the Employment Commission.)

Virginia Institute for Social Services Training Activities (VISSTA)

Virginia's Covering Families and Children Coalition

Service Area Products and Services

- Support of organizations serving communities
- Economic assistance to low income families/individuals or nutrition, child care, health care eligibility, and financial assistance to low income families/individuals

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Factors Impacting Service Area Products and Services

The principal factors impacting the products and services provided by this service area include changes in federal and state legislation, the social services system business process reengineering initiative, and the increasing workload at local departments of social services resulting from increased program caseloads. The federal legislation reauthorizing the Temporary Assistance for Needy Families (TANF) program is imminent and the Food Stamp Act will be reauthorized during this biennium. The new legislation will place important demands on eligibility staff and result in a myriad of policy, process, and systems changes that workers will have to learn and implement.

Additionally, the programs supervised under this service area are counter-cyclical. As the number of individuals living in poverty in the Commonwealth continues to rise (28% increase from 2000 – 2003), there will be a concomitant caseload increase across programs. Funding for eligibility services (for these programs) at local departments of social services has not increased since 1989. According to the caseload standards set forth in an independent study by Horby Zellar and Associates, local departments of social services would need an additional 618 workers simply to meet minimal processing standards. This staffing shortage has implications for timeliness and accuracy of application processing and having time available to attend training and read new policy material.

The payment accuracy rate in the Food Stamp is an example of how increased workload negatively impacts service delivery. As program participation has increased dramatically in the last two years (more than 25%), the Food Stamp program has also experienced an increase in errors as measured by the federal quality control process. According to federal law, states whose program performance is not within 105 percent of the national performance benchmark for two consecutive years face federal fiscal penalties.

In addition to the aforementioned influences, the social services system – state and local departments of social services – will be completing a business process re-engineering initiative in August 2005. This initiative is designed to map the current business processes, recommend radical change to the processes and business model in order to improve client service and efficiency, and post a roadmap for implementation.

Reducing poverty and dependence on government financial assistance programs is a dynamic concept; different models and programs to eradicate poverty have been implemented since the New Deal. It is inevitable that new concepts and program initiatives at the state and federal levels will continue to emerge, and the challenges of implementing change while maintaining the ability to meet the basic subsistence of Virginia's needy individuals and families will continue to impact the products and services delivered through this service plan.

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Anticipated Changes To Service Area Products and Service

As indicated above, one of the biggest challenges of this service area is the efforts of policy makers at both the national and state levels to make policy changes to reduce poverty. This service area must respond to these changes while maintaining continuity for our customers. The implementation of new Medicare prescription drug program, Medicare Part D, had added a new service to the responsibility of local departments of social services with no additional funding. Similarly federal changes to the TANF program and state efforts to reduce the number of children without adequate health insurance will create additional demands on the service area.

The Department's current emphasis on Business Process Re-engineering (BPR) will impact the products and services delivered by the services area. Many of the mechanisms used to deliver products and services are ingrained in the processes and culture of service delivery. These changes will impact day to day processes, job functions, and improve customer service. In particular, the system is likely to shorten the average time between application and benefit/service delivery, striving for same day service to the fullest extent possible.

Additionally, the current movement toward efficiency and program simplification will continue. All program applications are moving on-line, and customers will have increasing flexibility to access programs and services without having to come into a local department of social services. Using the web, points of access and the level of program information will increase.

Service Area Financial Summary

Funding for this service area comes from a combination of federal, state and local funds. The Code of Virginia §63.2-400 specified that no less than 50 percent of the funding necessary to administer public assistance program shall come from federal and state funds. By action of the State Board of Social Services, the funding split for local administration is 50 percent federal fund, 30 percent general fund, and 20 percent local fund. The federal funds come from various federal grant sources including Food Stamps, Medicaid, TANF, Title IV-E Foster Care, and the Social Services Block Grant (SSBG). This base appropriation also includes federal funds for local administration pass thru and local service cost allocation expenditures as well as \$1,500,000 in fraud funds (fund 0911) to support the Fraud program.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$41,336,128	\$108,013,684	\$41,336,128	\$108,013,684
Changes To Base	\$2,913,798	\$4,605,681	\$2,913,798	\$4,605,681
SERVICE AREA TOTAL	\$44,249,926	\$112,619,365	\$44,249,926	\$112,619,365

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Service Area Objectives, Measures, and Strategies

Objective 46003.01

Deliver timely and accurate eligibility determination services for safety net programs

Timely and accurate processing of eligibility determination for safety net programs are indicators of well-functioning processes that meet the expectations of customers.

This Objective Supports the Following Agency Goals:

- Deliver high-quality customer-focused services
(This objective is tied to Goal #4 of the VSSS strategic plan, Deliver High Quality, Customer Focused Services. Additionally, through the administration of public assistance that address the subsistence needs of Virginia's low-income families and children, including workforce programs that prepare them for employment and enhance their employability, this service areas directly aligns with the long-term objectives of the Council on Virginia's Future to: elevate the educational preparedness and attainment of Virginia's citizens; and inspiring and supporting Virginians toward healthy lives and strong resilient families.)

This Objective Has The Following Measure(s):

- **Measure 46003.01.01**

Accuracy of benefit calculations

Measure Type: Output

Measure Frequency: Quarterly

Measure Baseline: 93% of Food Stamp and Medicaid cases will be processed accurately.

Measure Target: 94% of all benefits will be issued accurately in SFY 2007 and SFY 2008.

Measure Source and Calculation:

Accuracy of data is captured through independent audits of benefits issued compared to what should have been issued. Accuracy will be measured through existing processes established by the federal government for Food Stamps and Medicaid.

- **Measure 46003.01.02**

Timeliness of application Processing

Measure Type: Output

Measure Frequency: Quarterly

Measure Baseline: 97% compliance with federal standards

Measure Target: 97% of all applications will be processed timely during SFY 07 and SFY 08

Measure Source and Calculation:

Timeliness data is captured from the Department's eligibility systems. Each of the respective programs has timeliness standards as prescribed in federal or state law or regulation. Timeliness is calculated in relation to the respective standards.

Objective 46003.01 Has the Following Strategies:

- Implement alternative means for individuals to access products and services.
- Focus Food Stamp error reduction initiatives on the 12 largest agencies contributing the most to the Food Stamp error rate.
- Implement a consistent statewide program monitoring plan.
- Simplify eligibility processes.